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SUBJECT: Santiago October 5 Media Report

Lead Story

[¶1.](#) Gas company "Geotermica del Norte" was able to close the leak caused by its exploration activities near El Tatio geyser field in northern Chile on September 8 (All dailies, 10/5).

U.S.-Related News

[¶2.](#) Women's National Service (Sernam) Minister Laura Albornoz will attend a Department of State meeting on gender issues with Secretary of State Hillary Clinton. It is foreseen that Albornoz will invite the Secretary to attend the launching of the OAS Inter-American Women's Year next year (La Tercera, 10/5).

[¶3.](#) At the G-7 meeting in Istanbul, U.S. Secretary of the Treasury Timothy Geithner said that the economy is recovering "with more strength and sooner" than initially foreseen, adding that it would be a mistake to withdraw economic stimulus programs at this stage (La Tercera, 10/4).

[¶4.](#) Wall Street analysts who are looking closely at Chile's December presidential election agree that regardless of who is voted into office, Chile's economic model is unlikely to experience significant changes (La Tercera, 10/3).

[¶5.](#) The associate director of SUNY Learning Network, Alexandra Pickett, is in Santiago to speak on education technologies at professional institute INACAP (PAS program, El Mercurio, 10/5.).)

[¶6.](#) Economist Esther Duflo will be in Santiago to inaugurate MIT's J-Pal Center, an entity that fights poverty through scientific research and evaluation of public policies. The center will be located in the Catholic University (El Mercurio,

Chile/Peru

¶7. Yesterday, President Alan Garcia insisted on maintaining the controversy with Chile over the Salitre military exercise by criticizing Santiago's invitation for Peruvian authorities to attend the exercise. "An invitation to observe military maneuvers is not the most satisfactory invitation one would hope for. I hope that in the future there are other types of demonstrations having to do with technology, mining, labor, that we would be most happy to attend," said Garcia (El Mercurio, 10/3).

¶8. La Moneda is concerned that Peruvian President Alan Garcia will use his meeting with Pope Benedict in November to portray Chile as a country embarked in an arms race and Peru as making efforts to maintain peace (El Mercurio, 10/4).

Military

¶9. According to the Stockholm International Peace Research Institute (SIPR), South American countries have significantly increased their defense expenses in recent years either to replace old materiel or for strategic reasons. Brazil and Venezuela lead the trend, but there is also Colombia, with its agreements with the United States for a permanent supply of weapons and the use of military bases. And then there is Chile that has been improving the quality of its military for some time. The increase in the price of raw materials such as oil, copper, and soybeans has yielded benefits for countries such as Brazil, Ecuador, and Chile and would be the reason for the increase in military expenses, said SIPR (La Tercera, 10/4).

Honduras

¶10. OAS envoy to Honduras John Biehl: "The de facto government is in control.... Repressive incidents do occur, but are not reported by the press.... The government has a calm yet strong hold of the country, but there are no massive human rights violations at this time" (Government-owned La Nacion, 10/4).

¶11. De facto President Roberto Micheletti said he had met with OAS Secretary General Jose Miguel Insulza in a military base north of Tegucigalpa at the end of August. According to the local press, U.S. Ambassador to Honduras Hugo Llorens was also at the meeting (El Mercurio, 10/3).

¶12. Micheletti admitted that it had been "a mistake" to expel President Zelaya from the country. "The military in charge should have taken him to the court, but instead expelled him to avoid a civil war," said Micheletti in an interview with Brazilian magazine "Veja" (El Mercurio 10/4).

¶13. Challenging the Obama administration, Republican Congressmen Jim DeMint, Aaron Schock, Peter Roskam, and Doug Lamborn met separately in Honduras with Micheletti, Supreme Court justices, and four presidential candidates. DeMint's spokesperson said this was not an endorsement of any of the candidates (El Mercurio, 10/3).

Indigenous Conflict

¶14. A Centro de Estudios Publicos (CEP) survey shows the following figures for the indigenous Mapuche population in the Region of Araucania: 12% illiteracy, 20% poverty and up to 35% in some communities, only seven years of schools on the average, and with one of the highest inequity rates in the country, where those with the highest income earn up to 11 times more than those with the lowest (El Mercurio, 10/4).

Environment

¶15. The Water Directorate issued a report stating that the leak in the geyser field El Tatio has damaged the subterranean water reserves for the Region of Antofagasta (Financial Diario Financiero, 10/5).

Nuclear Weapons

¶16. Raul Sohr column: "One of Latin America's achievement is that it has not introduced ... atomic weapons. But this condition is now threatened, at least in words.... Last week acting Brazilian President Jose Alencar said, 'a nuclear weapon used as deterrent is important for a country (such as Brazil) with a 15,000-kilometer border'.... In 2007, Army General Jose Benedicto de Barros said that Brazil could use atomic weapons to defend its patrimony. 'The world lacks water, energy, food and minerals and Brazil is rich in all of these,' said the general.... Latin America was a pioneer and example when it signed the Nuclear Weapons Prohibition Treaty in 1967.... Brazil hopes to occupy a permanent seat in the U.N. Security Council ... and some of its strategists believe that a nuclear device could give it the leverage needed to achieve this. But Brazil would be betraying Latin America's call for peace if it were to acquire atomic weapons. Worse yet, it would turn into a threat for its neighbors by becoming a target for other powers, discourage regional integration, and would be used as an excuse for others to follow the same destructive path" (La Nacion, 10/4).
SIMONS